

**STATEMENT OF JACQUELINE VANN, TREASURER, ALL CITIZENS FOR
MISSISSIPPI (FEC #C000564351), A FEDERAL NON-CANDIDATE
AUTHORIZED POLITICAL ACTION COMMITTEE, IN RESPONSE TO
FEDERAL ELECTION COMMITTEE COMPLAINT (RE: MUR 6840) and FEC
Confidential Inquiry**

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FEDERAL ELECTION
COMMISSION

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OFFICE OF THE
GENERAL
COUNSEL

PERSONALLY APPEARED BEFORE ME the undersigned Jacqueline Vann, an adult citizen of Jackson, Mississippi, and made the following Declaration under oath and upon penalty of perjury, certifying that her Statements are true and correct to the best of her knowledge and belief:

1. I am Jacqueline Vann, an adult resident of Jackson, Mississippi. My principal occupation is as Administrator of the New Horizon Church International (the Church), located 1750 Ellis Avenue, Jackson, Mississippi 39204. My duties are to serve as principal church administrator, and as assistant to Bishop Ronnie Crudup, pastor of New Horizon Church International;
2. I agreed to serve as Treasurer of the newly formed Political Action Committee All Citizens for Mississippi (the PAC) which address is also 1750 Ellis Avenue, Jackson, Mississippi. 39204. Pastor Ronnie Crudup is listed in FEC documents as Director of the PAC;
3. Although the PAC and the church occupy the same building, the church is housed in a very large physical facility, formerly the site of a mega-grocery store and shopping center in south Jackson, MS. The PAC office and the church office are in separate locations within the building, maintain separate record keeping and computer systems, and do not "commingle" funds whatsoever. The PAC pays rent to New Horizon Church International for use of the church building and facilities. I do not work on PAC matters until after I have concluded my workday as church Administrator. I am compensated by salary as church Administrator, a payment which originates from the church. I am compensated a small stipend as PAC Treasurer, which originates from the PAC.
4. Pursuant to IRS guidelines for 501(c)(3) eligible entities, I realize that the church cannot conduct or participate in any political or campaign activities for risk of losing its tax-exempt status. New Horizon Church International does not conduct or participate in any political or campaign activities. All activities with respect to the church and the PAC are separate, and no funds from the church have ever been used to finance any activities or operations of the PAC;
5. I was made aware that an FEC Complaint had been filed against the PAC All Citizens for Mississippi, by virtue of a letter I received from the Federal Election Commission, Hon. Jeff S. Jordy, dated June 18, 2014 (FEC Complaint MUR 6840). The FEC letter was received on June 24, 2014. As I do not open PAC mail until after I finish my church duties at 5pm, the FEC letter did not

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receive my full and due attention until a later time in the day. I appreciate that the FEC complaint is a serious matter and I began to conduct an investigation of the allegations averred in the complaint. Based on that diligent investigation I would like to offer the following facts, upon information and belief, in order to demonstrate in writing that no action should be taken against All Citizens for Mississippi or me, in my official capacity as Treasurer of the PAC, in this matter;

6. **Response to Alleged Violation #1: The Ad does not contain a proper disclaimer and identifying information as to the source of the Ad.** **My Response:** Regarding the ad which appeared in the weekly edition of *The Mississippi Link* newspaper, dated May 29-June 4, 2014, the PAC All Citizens for Mississippi did purchase such an ad in effort to promote the candidacy of Senator Thad Cochran for re-election as U.S. Senator from Mississippi. The ad was designed independently by PAC staff, and done so without any collusion, participation or cooperation from the official authorized "Cochran campaign". The text of the ad describes the record of Senator Cochran with respect to what the PAC believes are notable achievements towards the African-American community rendered by Senator Cochran over his long tenure in the US Senate. These achievements were commented upon directly from statements made by members of the African-American community who attended a PAC sponsored fundraiser in Terry, Mississippi given on the eve of the Senate election on June 3, 2014, giving rise to the tendering of checks written to the PAC in achievement of its fundraising goals and in order to finance its political activities. The text of the ad, and the logos which appeared depicting images in the ad of Senator Cochran, were all designed by Mr. Kehinde Gaynor, President/CEO of ExSAIL, a full-time independent graphic designer, who lists his address as P.O. Box 8593, Jackson, MS 39284. Mr. Gaynor is the son-in-law of Bishop Ronnie Crudup. Pursuant to my investigation regarding the allegations in the complaint, I called Mr. Gaynor. He confirmed to me that "he did not contact or consult with the Cochran campaign" in order to design or produce the ad which appeared in *The Mississippi Link*, and that he independently retrieved the photos and images of Senator Cochran, directly from the Cochran webpage, an item already in the public domain, and that he did so without the consent or knowledge of Senator Cochran, or his authorized candidate campaign. The ad, in question, and attached hereto as Exhibit "A", discloses that it was "PAID FOR BY ALL CITIZENS OF MISSISSIPPI". But, obviously, it does not make the further required disclaimers- that the PAC "is not authorized by any candidate or candidate's campaign". As the PAC is a newly formed entity, we were unaware of the FEC requirements in this regard, and believed that we were making all of the required disclosures within the ad. Mr. Gaynor, who produced the ad, and who was compensated by the PAC for doing so, admits that he did not know that the further disclosures were required and that he did not produce them for publication in *The Mississippi Link*. The PAC admits this error, but

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causing the 24 hour reporting notice to be triggered. This invoice No. 11197 from *The Mississippi Link*, reflects that payment for the ad was due by May 29, 2014 as being "due on receipt" of the order, but the ad was not actually paid until June 6, 2014. Please see check from the PAC in the amount of \$800.00 to *The Mississippi Link* newspaper, dated June 6, 2014, reflecting payment for the ad in question, which is attached as Exhibit "C". Complainant makes disturbing comments in their letter to the FEC intimating that the PAC had not even filed its registration with the FEC, and then uses local blog posts intended to further impress the FEC that its complaint is well founded. It is not. Treasurer successfully concluded the appropriate FEC registration for a non-authorized multi-candidate PAC, received the designated FEC registration number, and is informed that as a "new committee with no previous contributions or expenditures" that it is "considered to have reason to expect it will exceed the electronic filing threshold if it exceeds \$12,500 in contributions or expenditures during the first calendar quarter of the calendar year, or \$25,000 in contributions in the first half of the calendar year" (FEC Instructions for Statement of Organization (FEC Form 1)). Treasurer is preparing the FEC reporting documents now, and will file same by the FEC deadline of July, 15, 2014. As further refutation to the accusation of the PAC's failure to register with the FEC, please see the article which appeared in the statewide newspaper *The Clarion Ledger* (FEC Says PAC Officially Registered: All Citizens for Mississippi Paid for an Ad Urging Defeat of McDaniel) dated July 9, 2014, and attached hereto as Exhibit "E". Our PAC was registered as required by law and officials of the FEC have publically confirmed such. As response to Alleged Violation #2, Treasurer would therefore state that the ad in question cost \$800.00, and that said amount was paid to the newspaper by the PAC, and further that said amount did not trigger the 24 hour independent expenditure as complained about in *MUR 6840*. For due diligence purposes, Treasurer caused an interview to be conducted with the publisher and staff of *The Mississippi Link* newspaper. In order to show that PAC received no favorable treatment from the newspaper which might trigger even further allegations and defamatory accusations of possible "illegalities", Treasurer would aver that the PAC received no "special treatment" from The Mississippi Link newspaper which might be construed as an unreported in-kind contributions to Senator Cochran's campaign or as a preferential "discount" to our PAC. In this regard, please see the published "Political Rate Schedule" of *The Mississippi Link*, attached hereto as Exhibit "D", given to the PAC before the ad in question was ordered. Upon information and belief, the ad really cost \$650.00 for 1-3 times publication, but because the ad was to be "in color" the newspaper added \$150.00 in publication costs, thus costing the PAC the sum of \$800.00. These documented rates, from a small weekly newspaper headquartered in Jackson, Mississippi, might surprise Complainant and the far-flung law firm representing its interests, but nonetheless, Treasurer would aver that no independent expenditure notice was triggered, and that is why


PAC did seek to not disclose it electronically. Treasurer avers that she will report all expenditures by the July 15, 2014 deadline.

8. Response to Alleged Violation #3: Use and republication of candidate/campaign materials by a third party constitutes per se coordination; the Ad is, therefore, an illegal in-kind contribution to the Cochran for Senate campaign. **Response:** This allegation is preposterous. Treasurer will refer to its Response to Alleged Violation #1 in its answer to Alleged Violation #3. Upon information and belief, the ad in question was composed, designed and written by PAC graphic designer Kehinde Gaynor, without the cooperation, participation, or knowledge of the campaign committee of Sen. Thad Cochran. It is disclosed herein that Kehinde Gaynor is the son-in-law of Bishop Ronnie Crudup, pastor of New Horizon Church International and the same Bishop Ronnie Crudup is the registered Director of the PAC- All Citizens for Mississippi. Kehinde Gaynor was paid by the PAC for his graphic designs services on behalf of the PAC, and the Cochran campaign has not paid Kehinde Gaynor whatsoever. All expenditures of the PAC will be disclosed by the FEC deadline of July 15, 2014. Regarding the "republication" of campaign materials- upon information and belief, the PAC, through the services of Mr. Gaynor, unilaterally composed the text of the ad based on its knowledge of the historic contributions of Sen. Cochran to and on behalf of the African-American community in the State of Mississippi. These contributions are believed as important, and thought to represent a beneficial value to the entire State of Mississippi. The images of Senator Cochran used in the PAC ad in question, were already in the public domain. The PAC graphic designer obtained the images of the candidate through digital manipulation of the candidates "website", and did not coordinate this image transfer with the candidate or his official campaign. On June 3, 2014, and again on June 24, 2014, a substantial number of African American voters in the State of Mississippi chose to commit the "dastardly act of crossing over", of reaching across political party lines to voluntarily cast their vote for the re-election of Sen. Thad Cochran, helping therefore to facilitate his electoral victory in the Republican primary and run-off primary elections. This significant but voluntary act by the Mississippi black community, in support of candidate Thad Cochran, was based on his merit; based on his record of achievement, based on black voter's appreciation of the meaning of "seniority" in the United States Senate; and specifically as to what Cochran's continuity of leadership on the Senate Appropriations Committee could yield to a state like Mississippi, a state not as populated as are others. Perhaps, the thoughtful actions of African-American voters to vote on behalf of Cochran were even based on their reasonable notions of self-interest and on their preference- as to which candidate would best represent the legitimate concerns of the black community. Certainly, the unwise and imprudent actions of the Tea Party, including the filing of this FEC Complaint, serves to validate these strongly held perceptions, prompting the motivation to "cross over" thus ensuring the victory of the candidate believed to be more

moderate, more humble, and more "approachable". In summary and as final response to this Complaint: nothing was "republished"; nothing was coordinated with the authorized Cochran campaign; and nothing illegal was done in this regard. The PAC admits that it failed to disclose in *The Mississippi Link* ad that the sponsoring PAC- All Citizens for Mississippi (which was disclosed on the bottom of the ad as being the source of the ad urging support for candidate Cochran), was an "unauthorized Committee" and that the ad was not "authorized by any Candidate or Candidate's committee". This was an unintentional oversight, not to be repeated. Therefore, all of the alleged Violations #1-3 of the Complaint FEC MUR 6840, should be disregarded as unfounded and unduly speculative. Treasurer hopes that the foregoing will serve as demonstration in writing that no violations of FEC laws and regulations have occurred, and that MUR 6840 should be dismissed without further investigation. Treasurer, upon information and belief, has crafted responses intended to fully satisfy this inquiry. However, if not, Treasurer stands ready to provide any and all information the FEC might require. It is the fervent hope of the PAC- All Citizens for Mississippi (FEC #C000564351), and this Treasurer, that the FEC will take no further action in this matter.


Jacqueline Vann, Treasurer
All Citizens for Mississippi
Non-Authorized Multi-Candidate PAC
FEC #C000564351

Before me this _____ day of July, 2014, appeared Jacqueline Vann and under penalty of perjury did swear and affirm that the foregoing facts are true and correct to the best of her knowledge and belief.



Notary Public

SEAL

My Commission Expires:



- * The decision on who is going to be our next senator is going to be made in the republican primary. We're asking democrats to cross over and vote in the republican primary to ensure our community's interest is heard.*

PAID FOR BY ALL CITIZENS FOR MISSISSIPPI

EXHIBIT

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STATE + METRO

FEC says PAC officially registered

All Citizens for Mississippi paid for an ad urging defeat of McDaniel

By Jimmie E. Gates
The Clarion-Ledger

The Federal Elections Commission says All Citizens for Mississippi, which paid for an ad featuring Bishop Ronnie Crudup urging black voters to oppose Chris McDaniel in the GOP primary runoff for U.S. Senate, officially registered as a political action committee on June 6.

But there is a question whether All Citizens for Mississippi ran an earlier ad in a weekly black newspaper prior to officially being registered with the FEC.

All Citizens for Mississippi ran an ad in late May in the Mississippi Link newspaper about the same time its registration form to the FEC was postmarked May 30.

FEC spokesman Chris-

tian Hilland said he didn't want to comment on a committee's financial activity, but said generally speaking, the Federal



Ronnie Crudup

Election Campaign Act requires political committees to register with the FEC once its contributions of

expenditures exceed \$1,000 in a calendar year.

After a political action

committee reaches the \$1,000 threshold, it must register within 10 days and periodically report all financial activities, Hilland said.

When pressed, Hilland said it appears All Citizens for Mississippi has complied with FEC rules by registering within 10 days of contributing or spending \$1,000.

He said political action committees report quarterly and the next report is due July 15 when committees will detail money received and spent.

It has been reported that Crudup, senior pastor of New Horizon Church International, and others conducted a fundraiser in which about 200 black residents came together to raise money to try to help defeat McDaniel, considering him too conservative.

Crudup, who was out of state, couldn't be reached Tuesday for comment.

The Internal Revenue Service says a church could lose its 501(c)(3) tax exempt status for campaign activity.

IRS spokesman Mark Green of Atlanta said there are strict rules against a tax exempt church or organization participating in any campaign activity for or against political candidates.

If a church loses its tax exempt status, it means that money donated to the church would no longer be tax deductible.

Contact Jimmie E. Gates at jgates@jackson.gannett.com or (601) 961-7212. Follow @jgatesnews on Twitter.

